rance of the imported rotable snorkels on 14.3.1988. The Bill of Entry was assessed by Bombay Customs on 16.3.1988. The duty leviable on these goods is 25 per cent *ad valorem*. A request was received from the Municipal Corporation of Delhi for total exemption from payment of customs duty on these goods which the Delhi Fire Service was importing from West Germany. After careful examination, it was decided by the Government not to accede to this request because grant of such exemption involved substantial revenue implication and Municipal Corporations could get necessary grant from the concerned Ministry.

Working of Peerless General Finance and Investment Company

2754. SHRI JERLIE E. TARIANG: Will the Minister of FINANCE be pleased to state:

(a) whether the Peerless General Finance and Investment Company is functioning satisfactorily within the general directives issued by Government from time to time;

(b) whether it is a fact that the various schemes run by the Company do not give handsome benefits to members of the investing public; and

(c) if so, whether Government propose to scrutinise the various schemes and persuade the Company to improve the terms and conditions of these schemes?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) Reserve Bank of India have issued a fresh set of directions in May, 1987 known as "Residuary Non-Banking Companies (Reserve Bank) Directions, 1987" which are applicable to the schemes being conducted by M/s Peerless General Finance and Investment Company Limited. These directions, inter-alia, provide for the minimum and maximum period for which the deposits can be accepted, the rate of interest, bonus or other advantages by whatsoever name called payable on these deposits, and the manner in which the deposits are to be invested. These directions are considered essential to provide safe returns on the investments and security to the depositors.

The Reserve Bank of India has reported that the Peerless General Finance and Investment Company Limited has brought out two new schemes in August, 1987. A perusal of the new schemes reveals that the rate of interest payable and the period of deposits are in accordance with the directions of the Reserve Bank.

Recovery of loan from M/s. Swadeshi Cotton Mills Co.

2755. SHRI BHAGATRAM MANHAR: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the total assets of M/s. Swadeshi Cotton Mills Company Limited including fixed current and moveable immoveable assets were to the tune of more than Rs. 22 crores as per the provisional balance sheet submitted by the Company at the time of management takeover;

(b) if so, what will be the depriciated value of the aforesaid assets as on 1st April, 1985;

(c) whether it is also a fact that a sum of Rs. 35 crores given to M/s Swadeshi Cotton Mills Company Limited by the financial institutions as loan is being waived; and

(d) whether it is also a fact that the above loan is recoverable under Section 29D of the Industrial (Development and Regulation) Act and

if so, what measures Government have taken or propose to take to recover the same?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) to (d) M/s. Swadeshi Cotton Mills Company Ltd. is not a nationalised Company. It is privately owned. The Government is, therefore, unable to furnish information in respect of this Company.

Letter of credit back-dated by Reliance Industries Ltd.

2756. SHRI PRAMOD MAHAJAN:
SHRI SHANKER SINH VAGHELA:

Will the Minister of FINANCE be pleased to state:

(a) when did the Reserve Bank of India detect that the Letter of Credit for the Reliance Industries Limited was back-dated before Government took a policy decision regarding a change whereby the import of TPA was to be banned;

(b) as a result thereof, by how much the Reliance Industries stood to gain, and

(c) since then, what action has been taken against the Reliance Industries Limited and what is the outcome thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) Reserve Bank of India (RBI) has reported that in November-December, 1985, it had undertaken scrutiny of transactions in five Bombay bank branches relating to opening of letters of credit for import of TPA by M/s Reliance Industries Ltd. synchronising with the change in the import policy in respect of TPA on 29th May, 1985.

RBI has intimated that it has no information in regard to the alleged gain of Reliance Industries.

Central Bureau of Investigation had also undertaken investigation of these transactions and its report is under examination.

Pay fixation of Central Government employees on point to point basis

@2757. SHRI BIR BHADRA PRATAP SINGH:
DR. RATNAKAR PANDEY:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that consequent on recommendations of 1st, 2nd and 3rd Pay Commissions, the pay of Central Government employees in different grades was fixed in new scales on point to point basis giving them benefit of the annual increments earned in respective grades;

(b) whether no such protection of annual increments earned by the employees exists in the 4th Pay Commission's recommendations with the result that pay of senior personnel in various grades having put in a number of years of service have become equal to that of new entrants and the senior people have been put to disadvantage; and

(c) if so, what steps are being taken to give the benefit of service in a particular grade to senior personnel by way of fixing their pay on point to point basis?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) to (c) The first, third and fourth Central Pay Commissions did not re-

@Previously Unstarred Question 2377, transferred from the 17th March, 1988.